

Accomplishment of and Payment for Utility Relocations Required in Connection with Highway Work (Including Railroad Relocation)

Effective: 06-20-77

UDOT 08B-29

Revised: 07-01-97

Purpose

To establish a policy for entering into agreements with affected utility companies and railroads for the relocation of their facilities in connection with highway work and reimbursement of their costs exclusive of betterment and salvage credits.

Policy

It is the Policy of the UDOT to prepare agreements for relocation of utility companies and railroads affected facilities in connection with highway work. Reimbursement of their costs, exclusive of betterment and salvage credits, will be made as required by State Law and Federal regulations.

Definitions

Utility: In all cases where the word utility is used in this policy and procedure, the word "Utility" is synonymous with railroad companies.

**Accomplishment of and Payment for Utility Relocations Required
in Connection with Highway Work
(Including Railroad Relocation)**
Effective: 06-20-77

UDOT 08B-29
Revised: 07-01-97

Procedures

**Accomplishment of and Payment for Utility Relocations Required in
Connection with Highway Work** **UDOT 08B-29.1**

Responsibility: Engineering Coordinator

Actions

1. Determines need for utility or railroad relocation agreement.
2. Requests Federal Highway Administration approval for expenditure of funds necessary to accomplish utility or railroad relocation.
3. Completes reimbursement agreement with affected utility or railroad. Note: Agreement should be coordinated with the Project Design Engineer to insure the project plans agree with the terms of the agreement.
4. Makes distribution of executed utility or railroad agreement in accordance with the Manual of Instruction, Part 6-181, Utilities.

Responsibility: Contracts, Estimates and Agreements Manager (Is responsible for monitoring administration of work under utility/railroad agreements.)

5. Initiates Utility Fiscal Review Report, Form C-118 on all utility and railroad agreements where payment is to be made to the utility or railroad under the terms of the agreement and forwards to the Project Engineer.
6. Forwards two (2) copies of the Utility Fiscal Review Report to the appropriate Project Engineer and one copy to the appropriate Region Director. Retains one copy in Contracts, Estimates and Agreements Office file by project number.
7. Processes work orders or supplemental agreements which amend or modify the original agreement. On Federal-Aid Projects, obtains FHWA approval when required.
8. Reviews billing (both partial and final) from utility company or railroad for work accomplished and forwards to appropriate project engineer for verification.

Responsibility: Project Engineer or Region Utility Coordinator

Accomplishment of and Payment for Utility Relocations Required in Connection with Highway Work (Including Railroad Relocation)

Effective: 06-20-77

UDOT 08B-29

Revised: 07-01-97

9. Maintains and accomplishes physical inspection of all work accomplished as required by the Manual of Instruction, Part 12. Construction, Subsection 12-180. Records salvage value of material removed and not incorporated into the new work. Obtains FHWA approval of salvage value.
10. Upon receipt of billing reflecting a partial payment of the work required, verifies completion of work being billed with original agreement and returns verified billing through the Region Director to the Contracts, Estimates and Agreements Manager.
11. In those instances where additional work not covered by the original agreement is found necessary to complete the relocation as planned, prepares a supplemental agreement or work order to obtain approval from FHWA for the additional items of work.
12. Upon receipt of billing reflecting final payment, completes Form C-118 (when available), insures all documentation to support the payment is complete and forwards the complete package (including daily records, work orders, pertinent notes, etc.) to the Region Construction Engineer for review and approval by the Region Director. Where Final Billing reflects an overrun of previous authorized amount, prepares work order to obtain approval of additional costs from FHWA.

Responsibility: Region Construction Engineer

13. Insures complete review of the final billing against the original agreement, Form C-118 and project documentation is conducted by the Region Reviewer of Final Estimates. Verifies adequacy of documentation to support the final payment requested by signing the top section of Sheet 4 of the Form C-118. Obtains Region Director's signature of approval on billing and forwards the complete package to the Contracts, Estimates and Agreements Manager.

Responsibility: Contracts, Estimates and Agreements Manager

14. Processes billing for payment as follows:
 - a. Partial billings - Upon receipt of verified partial billing from the Project Engineer and Region Director, determines that all work is verified as billed and forwards to the Comptroller for payment.
 - b. Final Billing - Reviews Form C-118 and related documentation against the billing. Insures documentation will meet Federal Highway Administration requirements for federal participants, when applicable, and meets the Manual of Instruction requirements.

Accomplishment of and Payment for Utility Relocations Required in Connection with Highway Work (Including Railroad Relocation)

Effective: 06-20-77

UDOT 08B-29

Revised: 07-01-97

- c. Where differences between the billing and the documentation appear to exist, other than costs which were incurred off the site of the work such as engineering overhead, that cannot be corrected by the Project Engineer or verified by the utility, forwards final billing and related documentation to the Internal Auditor with a letter of transmittal setting forth those differences which cannot be reconciled and requests that the Internal Auditor review the utility company or railroad's documents which support the billing.
- d. Where the Project Engineer's documentation supports the billing, forwards the billing to Comptroller for payment. At the same time, forwards copy of billing and related documentation to the Internal Auditor requesting an audit of the utility company or railroad records to support the final payment. Note: In those instances where the agreement between UDOT and the utility company or railroad does not provide for the return of overpayment disclosed as a result of an audit, final billings and related documentation must be routed through the Internal Auditor prior to payment.
- e. For those agreements where the amount to be paid to the utility or railroad is a lump sum amount set forth in the executed agreement, the final billings approved by the Project Engineer and the Region Director may be forwarded directly to the Comptroller for payment without a request for audit.
- f. For those agreements which are based upon a letter from the Engineering Coordinator and are non-participating in nature, setting forth the work to be done where the final payment amount is to be less than (\$900.00), final billings which have been approved by the Project Engineer and the Region Director may be processed directly to the Comptroller for payment without a request for audit.

Accomplishment of and Payment for Utility Relocations Required in Connection with Highway Work (Including Railroad Relocation)

Effective: 06-20-77

UDOT 08B-29

Revised: 07-01-97

NOTE: The audit package sent to the Internal Auditor by the Contracts, Estimates and Agreements Manager will contain the following items: Copies of the approved billing two (2) copies for in-state companies and three (3) copies for out-of-state companies, the completed Fiscal Review Report, Form C-118 (when available), copy of the executed agreement, copy of the authorization to proceed, signed copies of any Work Orders or Supplemental Agreements including all exhibits, daily records (when available), reports on salvaged material when credit for salvage is due, any pertinent correspondence and the Record of Payments. (FHWA approval will be reflected on all applicable agreements and work orders.)

Responsibility: Internal Auditor

15. Where a final billing has previously been paid, reviews final billing as necessary to issue Certificate of Audit. When necessary, reviews the utility company records to support charges listed on billing. For out-of-state companies, arranges for audit to be performed by another State when appropriate. Where advance payment has resulted in either an overpayment or underpayment, recommends action be taken by the Comptroller to adjust the final payment amount.
16. Where final payment has not yet been made, reviews final billing as necessary to issue Certificate of Audit and forwards to Comptroller for payment. When necessary reviews the utility company records to support charges listed on billing. When review of an out-of-state company records is required, requests review be made by an auditing agency of the State where the records are located.

Responsibility: Comptroller

17. Where Certificate of Audit supports amounts previously paid and no added payment is necessary, processes billing to Federal Highway Administration for federal reimbursement when applicable.
18. When Certificate of Audit indicates additional payment is due the utility or railroad, prepares Road Cost Distribution to effect payment to the utility company or railroad. Billing is then processed to the Federal Highway Administration for federal reimbursement when applicable.
19. When the Certificate of Audit indicates the advance payment made to the utility resulted in an overpayment, bills the utility for the amount of the overpayment and maintains follow-up until the amount of the overpayment is received.